

EXHIBIT 3
DATE 2/22/07
HB 116
also on ^{HB} 160

Amendments to House Bill No. 116
1st Reading Copy

Requested by Representative John Musgrove

For the House Appropriations Committee

Prepared by Todd Everts
February 2, 2007 (7:23am)

1. Title, line 19.

Following: "90-2-1111,"

Insert: "90-2-1113,"

2. Page 3, lines 20 and 27.

Strike: "27" on each line

Insert: "28]" on each line

3. Page 4, line 13.

Strike: "27"

Insert: "28]"

4. Page 6, line 3.

Strike: "28"

Insert: "29]"

5. Page 7, line 4.

Strike: "28"

Insert: "29]"

6. Page 8, line 3.

Strike: "28"

Insert: "29]"

7. Page 8, line 26.

Strike: "27"

Insert: "28]"

8. Page 9, line 30.

Strike: "28"

Insert: "29]"

9. Page 10, line 16.

Strike: "27"

Insert: "28]"

10. Page 12, line 23.

Strike: "28"

Insert: "29]"

11. Page 14, line 4.

Strike: "27]"

Insert: "28]"

12. Page 26, lines 12 and 29.

Strike: "28]" on each line

Insert: "29]" on each line

13. Page 27, line 12.

Strike: "28]"

Insert: "29]"

14. Page 28, lines 5, 17, and 24.

Strike: "28]" on each line

Insert: "29]" on each line

15. Page 29, lines 1, 13, and 20, and 27.

Strike: "28]" on each line

Insert: "29]" on each line

16. Page 30, lines 10 and 19.

Strike: "28]" on each line

Insert: "29]" on each line

17. Page 30, line 29.

Strike: "27]"

Insert: "28]"

18. Page 31, line 19.

Strike: "28]"

Insert: "29]"

19. Page 34, lines 21 and 29.

Strike: "28]" on each line

Insert: "29]" on each line

20. Page 35.

Following: line 4

Insert: "**Section 26.** Section 90-2-1113, MCA, is amended to read:

"90-2-1113. **Evaluation criteria -- priority.** (1) Except as provided in subsections (2) and (3), the department shall consider the following criteria in evaluating eligible applications and in selecting projects to be recommended to the governor for funding:

(a) the degree to which the project will provide benefits in its eligibility category or categories;

(b) the degree to which the project will provide public benefits;

(c) the degree to which the project will promote, enhance, or advance the policies and purposes of the reclamation and

development grants program;

(d) the degree to which the project will provide for the conservation of natural resources;

(e) the degree of need and urgency for the project;

(f) the extent to which the project sponsor or local entity is contributing to the costs of the project or is generating additional nonstate funds;

(g) the degree to which jobs are created for persons who need job training, receive public assistance, or are chronically unemployed; and

(h) any other criteria that the department considers necessary to carry out the policies and purposes of the reclamation and development grants program.

(2) (a) Subject to the conditions of this part, the department shall give priority to:

(i) grant requests, not to exceed a total of \$600,000 for the biennium, from the board of oil and gas conservation. The board of oil and gas conservation shall use a grant that received priority under this subsection (2)(a)(i) for oil and gas reclamation projects. The board may use a maximum of 2.5% of the amount of a grant for administrative costs associated with implementing the projects covered in the grant.

(ii) grant requests to support the operations of the environmental science-water quality instruction programs at Montana state university-northern, to be used for support costs, for matching funds necessary to attract additional funds to further expand the statewide impact of the programs, and for enhancement of the facilities related to the programs. The total grant amount may not exceed \$240,000 for each fiscal year.

(b) Any unobligated fund balance of a grant that received priority under subsection (2)(a)(i) remaining at the end of the current biennium must be included as part of the \$600,000 limitation for the next biennium.

(c) The priority given to the board of oil and gas conservation under subsection (2)(a)(i) does not preclude the board of oil and gas conservation from submitting additional grant requests. The department shall evaluate additional grant requests from the board of oil and gas conservation in accordance with the provisions of subsection (1).

(3) Subject to the conditions of this part, the department shall give priority to grant requests not to exceed a total of \$800,000 for the biennium for abandoned mine reclamation projects. A grant may not be used for personnel costs or general operating expenses."

{ Internal References to 90-2-1113:

90-2-1111x} "

Renumber: subsequent sections

21. Page 35, line 15.

Strike: "28]"

Insert: "29]"

22. Page 36, line 16.

Strike: "27 and 28"

Insert: "28 and 29"

23. Page 36, line 17.

Strike: "27 and 28"

Insert: "28 and 29"

- END -

Amendments to House Bill No. 116
1st Reading Copy

Not Offered

Requested by Representative Dave Kasten

For the House Appropriations Committee

Prepared by Catherine Duncan
January 25, 2007 (11:46am)

1. Page 3, line 19.

Following: "resources"

Strike: "operations"

Insert: "projects"

2. Page 3, line 20.

Following: "[section]"

Strike: "27"

Insert: "28"

3. Page 3, line 26.

Following: "resources"

Strike: "operations"

Insert: "projects"

4. Page 3, line 27.

Following: "[section]"

Strike: "27"

Insert: "28"

5. Page 36, line 8.

Following: " ; "

Strike: "and"

6. Page 36, line 10.

Following: "85-1-619"

Insert: " ; and

(d) the oil and gas production tax as provided in 15-36-331"

- END -

Explanation -

Amendments 1 through 4 would direct the oil and natural gas productions tax distributions, currently directed to the natural resource operations account, to the natural resource projects account.

This would allow grants to be funded by more than a statutorily set \$7.5 million each biennium. The amendment would provide approximately \$6.6 million of additional grant funding per biennium.

Amendment 3 directs the oil and gas production tax distribution to the new projects account.